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TAGS: <u>PGOV</u> <u>PHUM</u> <u>PINR</u> <u>PREL</u> <u>SR</u>

SUBJECT: SOUTH SERBIA: ALBANIANS, GOVERNMENT AGREE TO ETHNIC BALANCE

IN LOCAL SELF-GOVERNANCE

REF: (A) Belgrade 154, (B) 08 Belgrade 800

Summary

11. (SBU) Following several months of on-again, off-again discussions, representatives of the Serbian government and the South Serbia Albanians on March 27 signed an OSCE-mediated agreement on reconfiguration of the Coordinating Body for South Serbia, a government institution formed in the aftermath of an Albanian insurgency in the region in late 2000. The agreement paves the way for the Albanians to rejoin the Coordinating Body after a two-year absence. More importantly, it commits the signatories to establishing multiethnic local governments in Presevo, Bujanovac, and Medvedja municipalities and to ensuring adequate inclusion of Albanians in local-level state institutions. Although the agreement is an important breakthrough for this economically depressed and ethnically mixed region, the devil will be in the details as past attempts to reinvigorate the Coordinating Body foundered amidst political squabbling. End Summary.

Nuts and Bolts

- 12. (U) On March 27, Milan Markovic, Minister of State Administration and Local Self Government and Head of the Coordinating Body (CB) for Presevo, Bujanovac, and Medvedja municipalities, and Riza Halimi, the sole Albanian member of the National Assembly, signed an agreement on "principles of reconstruction of the CB" on behalf of the GOS and South Serbia Albanians respectively. Ambassador Hans Ola Urstad, head of the Organization for Cooperation and Security in Europe (OSCE) Mission to Serbia, also signed the document as a guarantor. Markovic, Halimi, Presevo Mayor Nader Sadiku, Bujanovac Mayor Saip Kamberi, Medvedja Mayor Slobodan Draskovic, and Bujanovac Municipal Assembly President Jonuz Musliu then signed a "decision on CB organization and competencies." The signing ceremony brought to a close several months of negotiations brokered by the OSCE during which we and our British colleagues intervened on several occasions to ensure that the process continued moving forward (Ref A).
- establishing multiethnic local governments in Presevo, Bujanovac, and Medvedja and to ensuring adequate inclusion of Albanians in local-level state institutions like courts and the police. The decision, which the GOS approved at its April 2 cabinet meeting, in turns lays out a vision for a reformed and reconfigured CB, including the creation of core and expanded presidencies and six thematic working groups which will tackle issues such as economic development, education, capacity building of local self-governments, and security. The decision mandates that all decisions within the core and expanded presidencies will be made by consensus, a key

concession sought by the Albanians.

Reaction and Potential Obstacles

- 14. (SBU) The majority of South Serbia actors welcomed the agreement, which also received favorable press coverage. Former Bujanovac Mayor Stojanca Arsic, whose Serb citizens' group that controls three seats in the Bujanovac assembly stands to benefit directly, told us that the agreement was "super" and would lead to greater stability in the local government and amongst the population of Bujanovac, which is up 35-40% Serb.
- 15. (SBU) However, some political parties in the local opposition expressed dissatisfaction with the agreement, arguing that Minister Markovic and MP Halimi had failed to adequately consult with them. In Presevo, Albanians Skender Destani, head of the Democratic Union of the Valley (BDL), and Naser Haziri, representing a citizens' group, threatened to topple the local government, led by Halimi's Party for Democratic Action (PDD). In Bujanovac, representatives of the Serbian Radical Party, Democratic Party of Serbia, New Serbia, Serbian Strength Movement, and the Serbian Renewal Movement, which hold a total of nine seats in the local assembly, released a statement questioning Minister Markovic's motivations and disputing his mandate to act on their behalf. The statement also expressed these Serb parties' fear that "the Serb population of South Serbia soon would face the same fate as Kosovo Serbs."

Next Steps

16. (SBU) In addition to moving forward quickly to stand up the six working groups, we believe establishing a new municipal government

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in Bujanovac should be the top priority for the reformed CB. The local government formed after May 2008 local elections excluded local Serbs and became a serious irritant to GOS engagement in the region (Ref B). Formation in a timely fashion of a new government that includes Serb representation, mostly likely Dr. Arsic's citizens' group or the Democratic Party, would be a crucial sign of good will by the Albanians in relations with Minister Markovic.

17. (SBU) In parallel, the burden will be squarely upon the GOS officials in the CB to meet the main demand put forth by the Albanians during the negotiations, which is ensuring that Albanians are integrated adequately in local-level state institutions such as the police, courts, and public enterprises. Despite the fact that Albanians make up 50-55% of the population in Bujanovac and at least 90% in Presevo, the majority of employees in state institutions in these municipalities, especially senior management, are Serbian. Therefore, although this process understandably will require greater efforts and a longer timeframe, its implementation would demonstrate the seriousness of the GOS.

Comment

18. (SBU) As Minister Markovic pointed out during a short conversation with the Ambassador before the signing ceremony, the agreement reforming the Coordinating Body engenders substantial risks for him and MP Halimi. By putting aside what at times had become a personal dispute and reaching across the aisle, Markovic and Halimi essentially linked their professional reputations to success of the agreement. While the agreement is an important step forward, past attempts to revitalize the complex relationship between the GOS and its ethnic Albanian citizens in South Serbia failed shortly after the ink dried. Failure of the agreement this time around would create political instability that could be compounded by the effects of the ongoing economic crisis. We believe however that with continued pressure from the international community successful implementation remains within reach. End Comment.